

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 07930 141238Z

47

ACTION AGR-08

INFO OCT-01 ARA-06 ISO-00 AGRE-00 CEA-01 CIAE-00 COME-00

DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

ITC-01 TRSE-00 PRS-01 SP-02 FEAE-00 OMB-01 SSO-00

INRE-00 NSCE-00 USIE-00 /083 W
----- 102655

O R 141200Z SEP 76

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC IMMEDIATE 7796

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 7930

E.O. 11652: N/A

TAGS: ETRD; EDAP; BR

SUBJ: US FRUIT EXPORTS TO BRAZIL

REF: STATE 224442

1. SUMMARY. REPRESENTATION PER REFTTEL MADE SEPTEMBER 13 BY AMBASSADOR TO SECRETARY-GENERAL OF FOREIGN MINISTRY (ACTING FOREIGN MINISTER).

IN RESPONSE TO AMBASSADOR'S PROPOSAL OF SPECIFIC QUOTA FOR APPLES AND PEARS AS WELL AS DRIED FRUIT, THE SECRETARY-GENERAL SAID HE WOULD RAISE THE MATTER WITH THE MINISTRY OF FINANCE AND PROVIDE AN EARLY INDICATION OF THEIR DECISION. THE SECRETARY-GENERAL WAS MADE FULLY AWARE OF THE RECOURSES WHICH THE USG AND THE FRUIT INDUSTRY COULD BE EXPECTED TO UTILIZE UNLESS DISCRIMINATORY TREATMENT WAS REMOVED. END SUMMARY.

2. THE AMBASSADOR CALLED ON FOREIGN MINISTRY SECRETARY-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 07930 141238Z

GENERAL GUERREIRO (ACTING FOREIGN MINISTER IN THE ABSENCE OF

SILVEIRA WHO IS ACCOMPANYING PRESIDENT GEISEL TO JAPAN) LATE AFTERNOON SEPTEMBER 13 TO MAKE REPRESENTATION PER REFTTEL. THE AMBASSADOR REFERRED TO THE SEPTEMBER 3 SUBGROUP ON TRADE DISCUSSIONS ON APPLES AND PEARS AND DRIED FRUITS. THE AMBASSADOR SAID WE NOW HAD CONFIRMATION OF THE EXCEPTION GRANTED FOR THE IMPORTATION OF HUNGARIAN APPLES. HE SAID THIS EXCEPTION FLIES IN THE FACE OF BRAZIL'S JUSTIFICATION AT THE GATT BALANCE OF PAYMENTS TALK AND THAT IT APPEARS TO BE DISCRIMINATORY AND IN VIOLATION OF ARTICLE 13 OF GATT.

3. REFERRING TO THE DISCUSSIONS SINCE 1967 FOR THE ENTRY OF CERTAIN FRUIT EXPORTS TO BRAZIL, THE AMBASSADOR REQUESTED "REASONABLE ACCESS" FOR APPLES AND PEARS AND DRIED FRUITS. HE REQUESTED 400,000 CASES OF APPLES AND PEARS, 300 METRIC TONS OF DATES, AND 600 METRIC TONS OF RAISINS AND 600 METRIC TONS OF PRUNES. THE AMBASSADOR'S COMMENT THAT THE DRIED FRUIT PROPOSALS WERE BASED ON A FIVE YEAR AVERAGE AND THE APPLES AND PEARS PROPOSAL ON THE 1974 PATTERN PROMPTED SECRETARY-GENERAL GUERREIRO TO ASK WHETHER THE 1974 FIGURE WAS REPRESENTATIVE. THE AMBASSADOR RESPONDED THE CHOICE OF 1974 WAS PARTLY DUE TO THE FACT THAT MINISTER ROUANET HAD USED 1974 FIGURES FOR APPLES AND PEARS IN THE SUBGROUP TALKS. IT WAS THEN CLARIFIED THAT THE FIGURES WHICH ROUANET HAD GIVEN ON SEPTEMBER 3 WERE IN FACT GLOBAL FIGURES, NOT BILATERAL. (THE CORRECT GLOBAL FIGURE FOR THE IMPORTATION OF APPLES AND PEARS INTO BRAZIL IN 1974 IS 61 MILLION DOLLARS.)

4. THE AMBASSADOR STATED THAT OUR BILATERAL TRADE RELATIONS, AS INDICATED BY BOTH SIDES IN THE RECENT TRADE SUBGROUP, WERE IN A GOOD STATE AND THAT, AS MINISTER ROUANET HAD ACKNOWLEDGED, THE USG HAS TAKEN POSITIVE STEPS ON TRADE MATTERS OF INTEREST TO BRAZIL, PARTICULARLY WITH RESPECT TO GSP. HE WOULD BE PARTICULARLY CONCERNED IF THE MATTER OF US FRUIT EXPORTS TO BRAZIL WOULD CONTRIBUTE TO A MODIFICATION OF THIS ATMOSPHERE. NEVERTHELESS, UNLESS THE GOB PROVIDES REASONABLE ACCESS IN A NONDISCRIMINATORY MANNER, THE US WOULD RESERVE ITS RIGHTS UNDER GATT, THE US TRADE INTEREST MIGHT WELL BRING 301 ACTION UNDER THE TRADE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BRASIL 07930 141238Z

ACT, AND THESE SAME INTERESTS COULD BE EXPECTED TO WORK NEGATIVELY THROUGH THE US ADVISORY COMMITTEE ON THE MTN REGARDING CONCESSIONS TO BRAZIL WITHIN THE MTN OR ANY OTHER TRADE CONTEXT.

5. THE AMBASSADOR REMAINED THE FOREIGN MINISTRY OF THE TIME CONSTRAINT AND REQUESTED AN EARLY INDICATION OF THE GOB'S DECISION ON OUR PROPOSALS. HE ALSO ASKED

FOR INFORMATION REGARDING THE GRANTING OF
LICENSE FOR THE IMPORTATION OF PEARS FROM ANY COUNTRY.

6. THE SECRETARY-GENERAL SAID THAT OUR PROPOSALS WOULD BE
RAISED WITH THE MINISTRY OF FINANCE AND THAT HE WOULD
PROVIDE THE EMBASSY WITH AN ANSWER PROMPTLY. HE REFERRED
TO THE LARGE TRADE BALANCE WITH HUNGARY AND THE SPECIAL
FORM OF TRADE WITH HUNGARY AS THE BASIS FOR GRANTING THE
LICENSE. GUERREIRO ALSO GAVE A NEW ARGUMENT FOR THE
GRANTING OF THE LICENSE TO HUNGARY: BECAUSE OF THE
SPECIAL FACILITY FOR LAFTA COUNTRIES TO EXPORT FRUIT TO
BRAZIL, SOME OF WHICH HAVE BEEN RAISING THEIR PRICES,
THE GOB WANTED TO SHOW LAFTA COUNTRIES THAT THEY MUST
KEEP THEIR PRICES COMPETITIVE. THE AMBASSADOR RESPONDED
THAT US PRICES WERE "HIGHLY COMPETITIVE," TO WHICH THE SECRETARY-
GENERAL COMMENTED THAT THE PROBLEM WAS THE LARGE TRADE DEFICIT
WITH THE U.S.

7. THE SECRETARY-GENERAL ASKED IF THE US PROPOSAL WAS FOR
A "PERMANENT QUOTA." THE AMBASSADOR REPLIED THAT OUR
PROPOSAL WAS FOR THIS SEASON ONLY.
CRIMMINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FRUIT, AGRICULTURAL PRODUCTION, EXPORT QUOTAS, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BRASIL07930
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760346-0608
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760964/aaaaccqc.tel
Line Count: 137
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 224442
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2004 by CunninFX>; APPROVED <27 OCT 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: US FRUIT EXPORTS TO BRAZIL
TAGS: ETRD, EPAP, BR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006